

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

**ATTORNEY FEE APPLICATION COVER SHEET**

IN RE:

SHAPES/ARCH HOLDINGS L.L.C., *et al.*

CASE NO.: 08-14631 (GMB)

CHAPTER: 11

APPLICANT:

Cole, Schotz, Meisel,  
Forman & Leonard, P.A.

CLIENT: Official Committee of Unsecured  
Creditors

CASES FILED: March 16, 2008

COMPLETION OF THIS FORM CONSTITUTES A CERTIFICATION  
UNDER PENALTY OF PERJURY. RETENTION ORDER ATTACHED.

/s/ Michael D. Sirota      7/9/08  
MICHAEL D. SIROTA      Date

**SECTION I  
FEE SUMMARY**

Third Monthly Fee Statement Covering the Period  
June 1, 2008 through June 30, 2008

|   |              |
|---|--------------|
| Total Previous Fees and Expenses Requested: | \$347,992.75 |
| Total Fees and Expenses Allowed to Date:    | \$0.00       |
| Total Retainer (if applicable):             | N/A          |
| Total Holdback (if applicable):             | \$ 66,658.90 |
| Total Received by Applicant:                | \$219,252.40 |

| Name of Professional<br>and Title  | Year<br>Admitted | Hours | Rate   | Fee        |
|------------------------------------|------------------|-------|--------|------------|
| 1. Ilana Volkov,<br>Member         | 1991             | 18.30 | 450.00 | \$8,235.00 |
| 2. Jordan A. Fisch,<br>Member      | 1995             | 0.60  | 450.00 | 270.00     |
| 3. Catherine E. Bostock,<br>Member | 1994             | 1.00  | 360.00 | 360.00     |
| 4. Sheryll S. Tahiri,<br>Associate | 1999             | 3.60  | 325.00 | 1,170.00   |

| Name of Professional and Title       | Year Admitted | Hours | Rate   | Fee         |
|--------------------------------------|---------------|-------|--------|-------------|
| 5. Jeremy E. Bob,<br>Associate       | 2004          | 0.30  | 250.00 | 75.00       |
| 6. Daniel S. Zavodnick,<br>Associate | 2007          | 2.00  | 195.00 | 390.00      |
| 7. Frances Pisano,<br>Paralegal      | N/A           | 0.40  | 215.00 | 86.00       |
| 8. Cynthia Braden,<br>Paralegal      | N/A           | 14.70 | 165.00 | 2,425.50    |
| TOTALS                               |               | 40.90 |        | \$13,011.50 |

FEE TOTALS (Page 3) \$13,011.50

DISBURSEMENTS TOTALS (Page 4) \$770.02

TOTAL FEE APPLICATION \$13,781.52

**SECTION II  
SUMMARY OF SERVICES**

| Services Rendered                       | Hours        | Fee                |
|---|--------------|--------------------|
| (a) Telephone Calls                     | 1.20         | \$340.50           |
| (b) Correspondence Drafted              | 7.10         | 1,923.00           |
| (c) Correspondence Reviewed             | 16.60        | 6,645.50           |
| (d) Legal Research                      | 0.00         | 0.00               |
| (e) Court Appearance                    | 0.00         | 0.00               |
| (f) Preparation of Pleadings and Briefs | 4.10         | 824.50             |
| (g) Internal Office Meetings:           |              |                    |
| (1) solely w/applicant's staff          | 2.10         | 653.50             |
| (2) third party conferences             | 1.70         | 765.00             |
| (h) Out of Office Meetings              | 0.00         | 0.00               |
| (i) Review of File                      | 2.20         | 363.00             |
| (j) Travel Time                         | 0.00         | 0.00               |
| (k) Prepare for Court Appearance        | 0.00         | 0.00               |
| (l) Preparation of Fee Application      | 5.90         | 1,496.50           |
| <b>SERVICES TOTALS</b>                  | <b>40.90</b> | <b>\$13,011.50</b> |

**SECTION III**  
**SUMMARY OF DISBURSEMENTS**

| Disbursements   | Amount          |
|---|-----------------|
| (a) Telephone   | \$115.86        |
| (b) Photocopying:<br>No. of Pages: 2,223 Rate per Page: \$.20 | 444.60          |
| (c) Travel (attach details - U.S. Govt. Rate)                 | 0.00            |
| (d) Postage   | 133.72          |
| (e) Other (explain):<br>Copy of Official Documents            | 75.84           |
| <b>DISBURSEMENT TOTAL</b>                                     | <b>\$770.02</b> |

**SECTION IV  
CASE HISTORY**

(NOTE: Items (3) through (6) are not applicable to applications under 11 U.S.C. § 506)

- (1) Date cases filed: March 16, 2008
- (2) Chapter under which cases commenced: Chapter 11
- (3) Date of retention: Order signed April 25, 2008, effective March 31, 2008  
(Annex copy of order(s).) **See Exhibit A.**  
If limit on number of hours or other limitations to retention, set forth: N/A
- (4) Summarize in brief the benefits to the estate and attach supplements as needed:
  - (a) Finalized investigation into the extent, validity and priority of the alleged secured claim of The CIT Group/Business Credit, Inc., as agent for itself and for JP Morgan Chase Bank, N.A. and Textron Financial Corporation;
  - (b) Reviewed, commented on and engaged in negotiations with counsel for the Debtors and Arch Acquisition I, LLC (“Arch”) regarding the Asset Purchase Agreement between the Debtors and Arch (the “APA”), as well as the related sale motion and bidding procedures;
  - (c) Reviewed and preliminarily analyzed the impact of the Industrial Site Recovery Act on a sale of substantially all the Debtors’ assets pursuant to the APA;
  - (d) Reviewed claims objections filed by the Debtors;
  - (e) Reviewed objections filed to confirmation of the Debtors’ Third Amended Joint Plan of Reorganization (the “Plan”); and
  - (f) Attended various conference calls and engaged in various e-mail communications regarding the continued administration and progress of the Debtors’ cases.

**INVOICES ITEMIZING SERVICES RENDERED AND OUT-OF-POCKET EXPENSES INCURRED ARE ATTACHED AS EXHIBITS “B” AND “C”, RESPECTIVELY.**

- (5) Anticipated distribution to creditors:
  - (a) Administration expenses: Per Plan
  - (b) Secured creditors: Per Plan
  - (c) Priority creditors: Per Plan

(d) General unsecured creditors: Per Plan

(6) Final disposition of cases and percentage of dividend paid to creditors (if applicable):  
The Court has approved the Debtors' Joint Disclosure Statement for the Debtors' Third Amended Joint Plan of Reorganization and has fixed July 15, 2008, as the hearing on confirmation of the Plan. Although the bar date for general unsecured claims has passed, the final dividend percentage to general unsecured creditors is unknown at this time because the Debtors' motions objecting to claims have not been resolved.